

House File 2394 - Introduced

HOUSE FILE _____
BY JACOBY

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act establishing a biennial appropriations process and
2 providing effective and applicability dates.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 5921YH 82
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1 1 Section 1. Section 2.12, unnumbered paragraph 4, Code
1 2 2007, is amended to read as follows:
1 3 There is appropriated out of any funds in the state
1 4 treasury not otherwise appropriated such sums as may be
1 5 necessary for the fiscal ~~year~~ biennium budgets of the
1 6 legislative services agency and the citizens' aide office for
1 7 salaries, support, maintenance, and miscellaneous purposes to
1 8 carry out their statutory responsibilities. The legislative
1 9 services agency and the citizens' aide office shall submit
1 10 their proposed budgets for the two years of the fiscal
1 11 biennium to the legislative council not later than ~~September~~
1 12 October 1 of each the year preceding the first regular session
1 13 of a general assembly. The legislative council shall review
1 14 and approve the proposed budgets not later than December 1 of
1 15 each the year preceding the first regular session of a general
1 16 assembly. The budget approved by the legislative council for
1 17 each of its statutory legislative agencies shall be
1 18 transmitted by the legislative council to the department of
1 19 management on or before December 1 of ~~each the year preceding~~
1 20 the first regular session of a general assembly for the fiscal
1 21 year beginning July 1 of the following year. The department
1 22 of management shall submit the approved budgets received from
1 23 the legislative council to the governor for inclusion in the
1 24 governor's proposed budget for the succeeding fiscal ~~year~~
1 25 biennium. The approved budgets shall also be submitted to the
1 26 chairpersons of the committees on appropriations. The
1 27 committees on appropriations may allocate from the funds
1 28 appropriated by this section the funds contained in the
1 29 approved budgets, or such other amounts as specified, pursuant
1 30 to a concurrent resolution to be approved by both houses of
1 31 the general assembly. The director of the department of
1 32 administrative services shall issue warrants for salaries,
1 33 support, maintenance, and miscellaneous purposes upon
1 34 requisition by the administrative head of each statutory
1 35 legislative agency. If the legislative council elects to
2 1 change the approved budget for a legislative agency for either
2 2 or both years of a fiscal biennium prior to July 1, the
2 3 legislative council shall transmit the amount of the budget
2 4 revision to the department of management prior to July 1 of
2 5 the affected fiscal year, however, if the general assembly
2 6 approved the budget it cannot be changed except pursuant to a
2 7 concurrent resolution approved by the general assembly.
2 8 Sec. 2. NEW SECTION. 2.12B FISCAL BIENNIUM ==
2 9 APPROPRIATIONS.
2 10 1. In the first year of each general assembly the general
2 11 assembly shall enact appropriations for each fiscal year of
2 12 the ensuing fiscal biennium. An appropriation shall indicate
2 13 the source from which the appropriation shall be paid. An
2 14 appropriation need not be in greater detail than to indicate
2 15 the total appropriation to be made for both of the following:
2 16 a. Administration, operation, and maintenance of each
2 17 department and establishment, as defined in section 8.2, for
2 18 each fiscal year of a fiscal biennium.
2 19 b. The cost of land, public improvements, and other
2 20 capital outlays for each department and establishment,

2 21 itemized by specific projects or classes of projects of the
2 22 same general character.

2 23 2. The general assembly may enact appropriation bills for
2 24 the second year of a fiscal biennium providing for
2 25 supplemental appropriations to or appropriation reductions
2 26 from the previously enacted fiscal biennium budget.

2 27 Sec. 3. Section 8.6, subsection 2, Code Supplement 2007,
2 28 is amended to read as follows:

2 29 2. REPORT OF STANDING APPROPRIATIONS. To ~~annually~~
2 30 ~~biennially~~ prepare a separate report containing a complete
2 31 list of all standing appropriations showing the amount of each
2 32 appropriation and the purpose for which the appropriation is
2 33 made and furnish a copy of the report to each member of the
2 34 general assembly on or before the first day of ~~each the first~~
2 35 regular session of a new general assembly.

3 1 Sec. 4. Section 8.21, Code 2007, is amended to read as
3 2 follows:

3 3 8.21 BUDGET TRANSMITTED.

3 4 1. Not later than February 1 of the first regular session
3 5 of each legislative session general assembly, the governor
3 6 shall transmit to the ~~legislature~~ general assembly a document
3 7 to be known as a budget, setting forth the governor's
3 8 financial program for each of the fiscal years of the ensuing
3 9 fiscal ~~year~~ biennium and having the character and scope set
3 10 forth in sections 8.22 through 8.29.

3 11 2. If the governor is required to use a lesser amount in
3 12 the budget process because of a later meeting of the state
3 13 revenue estimating conference under section 8.22A, subsection
3 14 3, the governor shall transmit recommendations for a budget in
3 15 conformance with that requirement within fourteen days of the
3 16 later meeting of the state revenue estimating conference.

3 17 3. If the governor is required under section 8.22A,
3 18 subsection 3, and section 8.54, subsection 2, to use a
3 19 different amount in the budget process for the second year of
3 20 a fiscal biennium because the revenue estimating conference
3 21 agrees to a different estimate for the second fiscal year than
3 22 was used in the initial budget process for that fiscal year
3 23 and the state general fund expenditure limitation for that
3 24 fiscal year is readjusted, the governor shall transmit to the
3 25 general assembly recommendations for revisions in revenue
3 26 provisions and appropriations as necessary so that the budget
3 27 for the second year of the fiscal biennium does not exceed the
3 28 readjusted state general fund expenditure limitation. The
3 29 recommendations for revisions shall be transmitted not later
3 30 than February 1 of the second regular session of the general
3 31 assembly.

3 32 Sec. 5. Section 8.22, Code 2007, is amended to read as
3 33 follows:

3 34 8.22 NATURE AND CONTENTS OF BUDGET.

3 35 The budget shall consist of four parts, the nature and
4 1 contents of which shall be as follows:

4 2 PART I

4 3 GOVERNOR'S BUDGET MESSAGE. Part I shall consist of the
4 4 governor's budget message, in which the governor shall set
4 5 forth:

4 6 1. The governor's program for meeting all the expenditure
4 7 needs of the government for ~~the each of the fiscal years of~~
4 8 ~~the ensuing~~ fiscal year biennium, indicating the classes of
4 9 funds, general or special, from which appropriations are to be
4 10 made and the means through which the expenditures shall be
4 11 financed.

4 12 The governor's program shall include a single budget
4 13 request for all capital projects proposed by the governor.
4 14 The request shall include but is not limited to the following:

- 4 15 a. The purpose and need for each capital project.
- 4 16 b. A priority listing of capital projects.
- 4 17 c. The costs of acquisition, lease, construction,
4 18 renovation, or demolition of each capital project.
- 4 19 d. The identification of the means and source of funding
4 20 of each capital project.
- 4 21 e. The estimated operating costs of each capital project
4 22 after completion.
- 4 23 f. The estimated maintenance costs of each capital project
4 24 after completion.
- 4 25 g. The consequences of delaying or abandoning each capital
4 26 project.
- 4 27 h. Alternative approaches to meeting the purpose or need
4 28 for each capital project.
- 4 29 i. Alternative financing mechanisms.
- 4 30 j. A cost-benefit analysis or economic impact of each
4 31 capital project.

4 32 2. Financial statements giving in summary form:
4 33 a. The condition of the treasury at the end of the last
4 34 completed fiscal year, the estimated condition of the treasury
4 35 at the end of the year in progress, and the estimated
5 1 condition of the treasury at the end of each of the following
5 2 ~~fiscal year~~ fiscal years of the ensuing fiscal biennium if the
5 3 governor's budget proposals are put into effect.
5 4 b. Statements showing the bonded indebtedness of the
5 5 government, debt authorized and unissued, debt redemption and
5 6 interest requirements, and condition of the sinking funds, if
5 7 any.
5 8 c. A summary of appropriations recommended for each of the
5 9 following fiscal year fiscal years of the ensuing fiscal
5 10 biennium for each department and establishment and for the
5 11 government as a whole, in comparison with the actual
5 12 expenditures for the last completed fiscal year and the
5 13 estimated expenditures for the year in progress.
5 14 d. A summary of the revenue, estimated to be received by
5 15 the government during each of the fiscal years of the
5 16 following ensuing fiscal year biennium, classified according
5 17 to sources, in comparison with the actual revenue received by
5 18 the government during the last completed fiscal year and
5 19 estimated income during the year in progress.
5 20 e. A statement of federal funds received in the form of
5 21 block or categorical grants which were not included in the
5 22 governor's budget for the ~~previous~~ fiscal year biennium in
5 23 progress and a statement of anticipated block grants and
5 24 categorical grants for each of the fiscal years of the ensuing
5 25 fiscal biennium. The budget shall indicate how the federal
5 26 funds will be used and the programs to which they will be
5 27 allocated. The amount of state funds required to implement
5 28 the programs to which the federal funds will apply shall also
5 29 be indicated. The departments shall provide information to
5 30 the director on the anticipated federal block grants and
5 31 categorical grants to be received on or before November 1 of
5 32 each year. The director shall use this information to develop
5 33 an annual update of the statement of federal funds received
5 34 which shall be provided to the general assembly.
5 35 f. Other financial statements, data, and comments as in
6 1 the governor's opinion are necessary or desirable in order to
6 2 make known in all practicable detail the financial condition
6 3 and operation of the government and the effect that each of
6 4 the fiscal years of the biennial budget as proposed by the
6 5 governor will have on the financial condition and operation.
6 6 If the estimated revenues of the government for the ensuing
6 7 fiscal ~~year~~ biennium as set forth in the budget on the basis
6 8 of existing laws, plus the estimated ~~amounts~~ balances in the
6 9 treasury at the close of the ~~year~~ fiscal biennium in progress,
6 10 available for expenditure in the ensuing fiscal ~~year~~ biennium
6 11 are less than the aggregate recommended appropriations for the
6 12 ensuing fiscal ~~year~~ biennium as contained in the budget, the
6 13 governor shall make recommendations to the ~~legislature~~ general
6 14 assembly in respect to the manner in which the deficit shall
6 15 be met, whether by an increase in the state tax or the
6 16 imposition of new taxes, increased rates on existing taxes, or
6 17 otherwise, and if the aggregate of the estimated revenues,
6 18 plus estimated balances in the treasury, is greater than the
6 19 recommended appropriations for each year of the ensuing fiscal
6 20 ~~year~~ biennium, the governor shall make recommendations in
6 21 reference to the application of the surplus to the reduction
6 22 of debt or otherwise, to the reduction in taxation, or to such
6 23 other action as in the governor's opinion is in the interest
6 24 of the public welfare.

6 25 PART II

6 26 RECOMMENDED APPROPRIATIONS. Part II shall present in
6 27 detail for each year of the ensuing fiscal ~~year~~ biennium the
6 28 governor's recommendations for appropriations to meet the
6 29 expenditure needs of the government from each general class of
6 30 funds, in comparison with actual expenditures for each of the
6 31 purposes during the last completed fiscal year and estimated
6 32 expenditures for the year in progress, classified by
6 33 departments and establishments and indicating for each the
6 34 appropriations recommended for:

- 6 35 1. Meeting the cost of administration, operation, and
7 1 maintenance of the departments and establishments.
- 7 2 2. Appropriations for meeting the cost of land, public
7 3 improvements, and other capital outlays in connection with the
7 4 departments and establishments.
- 7 5 Each item of expenditure, actual or estimated, and
7 6 appropriations recommended for administration, operation, and
7 7 maintenance of each department or establishment shall be

7 8 supported by detailed statements showing the actual and
7 9 estimated expenditures and appropriations classified by
7 10 objects according to a standard scheme of classification to be
7 11 prescribed by the director.

7 12 PART III

7 13 APPROPRIATION BILLS. Part III shall include a draft or
7 14 drafts of appropriation bills having for their purpose to give
7 15 legal sanction to the appropriations recommended to be made in
7 16 Parts I and II. The appropriation bills shall indicate the
7 17 funds, general or special, from which the appropriations shall
7 18 be paid, but the appropriations need not be in greater detail
7 19 than to indicate the total appropriation to be made for both
7 20 of the following:

7 21 1. Administration, operation, and maintenance of each
7 22 department and establishment for each year of the fiscal year
7 23 biennium.

7 24 2. The cost of land, public improvements, and other
7 25 capital outlays for each department and establishment,
7 26 itemized by specific projects or classes of projects of the
7 27 same general character.

7 28 The governor may submit appropriation bills in the second
7 29 year of a fiscal biennium providing for supplemental
7 30 appropriations to or appropriation reductions from the
7 31 previously enacted fiscal biennium budget.

7 32 PART IV

7 33 STRATEGIC PLAN. Part IV shall include an explanation that
7 34 correlates the budget with the enterprise strategic plan
7 35 adopted pursuant to section 8E.204. The budget shall provide
8 1 an explanation of appropriations recommended for the
8 2 administration and maintenance of an agency as defined in
8 3 section 8E.103 with the general evaluation of the agency in
8 4 meeting enterprise strategic goals, including identifying
8 5 goals that require legislation.

8 6 Sec. 6. Section 8.22A, subsections 3, 4, and 5, Code 2007,
8 7 are amended to read as follows:

8 8 3. By December 15 of each fiscal year the conference shall
8 9 agree to a revenue estimate for ~~the fiscal year beginning the~~
8 10 ~~following July 1. That each of the two following fiscal~~
8 11 ~~years.~~

8 12 a. In the fiscal year preceding a fiscal biennium, the
8 13 estimate for each of the fiscal years of the ensuring fiscal
8 14 biennium shall be used by the governor in the preparation of
8 15 the budget message under section 8.22, and by the first
8 16 regular session of the general assembly in the budget process
8 17 for each of the fiscal years of that fiscal biennium, and in
8 18 determining an adjusted revenue estimate under section 8.54
8 19 for each of the fiscal years of the fiscal biennium.

8 20 b. In the fiscal year in which the following fiscal year
8 21 is the second year of the fiscal biennium, the conference
8 22 shall agree by December 15 to another estimate for the second
8 23 fiscal year and if this estimate is different from that which
8 24 was used in the initial budget process for the second fiscal
8 25 year, the adjusted revenue estimate determined pursuant to
8 26 section 8.54 for that second fiscal year shall be revised
8 27 based upon the different estimate. The different estimate
8 28 shall be used by the governor in the preparation of the budget
8 29 message under section 8.22, by the general assembly in the
8 30 budget process, and in determining an adjusted revenue
8 31 estimate under section 8.54 for the second fiscal year.

8 32 c. If the conference agrees to a different estimate at a
8 33 later meeting which projects a greater amount of revenue than
8 34 the initial estimate amount for a fiscal year agreed to by
8 35 December 15, the governor and the general assembly shall
9 1 continue to use the initial estimate amount in the budget
9 2 process for that fiscal year. However, if the conference
9 3 agrees to a different estimate for a fiscal year at a later
9 4 meeting which projects a lesser amount of revenue than the
9 5 initial estimate amount, the governor and the general assembly
9 6 shall use the lesser amount in the budget process for that
9 7 fiscal year. As used in this subsection, "later meeting"
9 8 means only those later meetings which are held prior to the
9 9 conclusion of the a regular session of the general assembly
9 10 and, if the general assembly holds an extraordinary session
9 11 prior to the commencement of the fiscal year to which the
9 12 estimate applies, those later meetings which are held before
9 13 or during the extraordinary session.

9 14 4. At the meeting in which the conference agrees to the
9 15 revenue estimate for ~~the following~~ a fiscal year in accordance
9 16 with the provisions of subsection 3, which is used in
9 17 determining an adjusted revenue estimate under section 8.54,
9 18 the conference shall agree to an estimate for tax refunds

9 19 payable from that estimated revenue. The estimates required
9 20 by this subsection shall be used in determining the adjusted
9 21 revenue estimate under section 8.54.
9 22 5. At the meeting in which the conference agrees to the
9 23 revenue estimate for ~~the succeeding~~ a fiscal year in
9 24 accordance with the provisions of subsection 3, ~~which is used~~
9 25 ~~in determining an adjusted revenue estimate under section~~
9 26 ~~8.54~~, the conference shall also agree to the following
9 27 estimates which shall be used by the governor in preparation
9 28 of the budget message under section 8.22 and the general
9 29 assembly in the budget process for the ~~succeeding~~ fiscal year:
9 30 a. The amount of lottery revenues for the ~~following~~ fiscal
9 31 year to be available for disbursement following the deductions
9 32 made pursuant to section 99G.39, subsection 1.
9 33 b. The amount of revenue for the ~~following~~ fiscal year
9 34 from gambling revenues and from interest earned on the cash
9 35 reserve fund and the economic emergency fund to be deposited
10 1 in the rebuild Iowa infrastructure fund under section 8.57,
10 2 subsection 6, paragraph "e".
10 3 c. The amount of accruals of those revenues collected by
10 4 or due from entities other than the state on or before June 30
10 5 of the fiscal year but not remitted to the state until after
10 6 June 30.
10 7 d. The amount of accrued lottery revenues collected on or
10 8 before June 30 of the fiscal year but not transferred to the
10 9 general fund of the state until after June 30.
10 10 Sec. 7. Section 8.23, Code 2007, is amended to read as
10 11 follows:
10 12 8.23 ANNUAL DEPARTMENTAL ESTIMATES.
10 13 1. On or before October 1, prior to ~~each legislative the~~
10 14 ~~first regular session of a general assembly~~, all departments
10 15 and establishments of the government shall transmit to the
10 16 director, on ~~blanks forms~~ to be furnished by the director,
10 17 estimates of their expenditure requirements, including every
10 18 proposed expenditure, for ~~each fiscal year of~~ the ensuing
10 19 ~~fiscal year biennium~~, classified so as to distinguish between
10 20 expenditures estimated for administration, operation, and
10 21 maintenance, and the cost of each project involving the
10 22 purchase of land or the making of a public improvement or
10 23 capital outlay of a permanent character, together with
10 24 supporting data and explanations as called for by the
10 25 director.
10 26 2. On or before October 1, prior to the second regular
10 27 ~~session of a general assembly~~, all departments and
10 28 ~~establishments shall transmit to the director, on forms~~
10 29 ~~furnished by the director, estimates of their requirements for~~
10 30 ~~supplemental appropriations or appropriations reductions for~~
10 31 ~~the fiscal biennium budget in progress.~~
10 32 ~~a. 3.~~ The estimates of expenditure requirements shall be
10 33 based upon seventy-five percent of the funding provided for
10 34 the current fiscal year accounted for by program reduced by
10 35 the historical employee vacancy factor in form specified by
11 1 the director and the remainder of the ~~estimate estimates~~ of
11 2 expenditure requirements prioritized by program. The
11 3 estimates shall be accompanied with performance measures for
11 4 evaluating the effectiveness of the program.
11 5 ~~b. 4.~~ The budget estimates for an agency as defined in
11 6 section 8E.103 shall be based on achieving goals contained in
11 7 the enterprise strategic plan and the agency's strategic plan
11 8 as provided for in chapter 8E. The estimates shall be
11 9 accompanied by a description of the measurable and other
11 10 results to be achieved by the agency. Performance measures
11 11 shall be based on the goals developed pursuant to sections
11 12 8E.205, 8E.206, and 8E.208. The estimates shall be
11 13 accompanied by an explanation of the manner in which
11 14 appropriations requested for the administration and
11 15 maintenance of the agency meet goals contained in the
11 16 enterprise strategic plan and the agency's strategic plan,
11 17 including identifying goals that require legislation.
11 18 ~~c. 5.~~ If a department or establishment fails to submit
11 19 estimates ~~as required in subsection 1~~ within the time
11 20 specified, the legislative services agency shall use the
11 21 amounts of the appropriations to the department or
11 22 establishment for the fiscal year in process at the time the
11 23 estimates are required to be submitted as the amounts for the
11 24 department's or establishment's request in the documents
11 25 submitted to the general assembly for ~~each fiscal year of~~ the
11 26 ~~ensuing fiscal year biennium~~ and the governor shall cause
11 27 estimates to be prepared for that department or establishment
11 28 as in the governor's opinion are reasonable and proper.
11 29 ~~d. 6.~~ The director shall furnish standard budget request

11 30 forms to each department or agency of state government.
11 31 ~~2. 7.~~ On or before November 15 prior to each regular
11 32 legislative session all departments and establishments of
11 33 government and the judicial branch shall transmit to the
11 34 department of management and the legislative services agency
11 35 estimates of their receipts and expenditure requirements from
12 1 federal or other nonstate grants, receipts, and funds for each
12 2 of the two ensuing fiscal year years. The transmittal shall
12 3 include the names of the grantor and the grant or the source
12 4 of the funds, the estimated amount of the funds, and the
12 5 planned expenditures and use of the funds. The format of the
12 6 transmittal shall be specified by the legislative services
12 7 agency.
12 8 Sec. 8. Section 8.30, Code 2007, is amended to read as
12 9 follows:
12 10 8.30 AVAILABILITY OF APPROPRIATIONS.
12 11 The appropriations made are not available for expenditure
12 12 until allotted as provided for in section 8.31. All
12 13 appropriations are declared to be maximum and proportionate
12 14 appropriations, the purpose being to make the appropriations
12 15 payable in full in the amounts named if the estimated budget
12 16 resources during ~~the each~~ fiscal year of the fiscal biennium
12 17 for which the appropriations are made, are sufficient to pay
12 18 all of the appropriations in full. The governor shall
12 19 restrict allotments only to prevent an overdraft or deficit in
12 20 any fiscal year for which appropriations are made.
12 21 Sec. 9. Section 8.36, Code 2007, is amended to read as
12 22 follows:
12 23 8.36 FISCAL BIENNIUM == FISCAL YEAR.
12 24 1. The fiscal biennium of the state ends on the thirtieth
12 25 day of June in each odd-numbered fiscal year; the succeeding
12 26 fiscal biennium begins on the day following.
12 27 2. The fiscal year of the government shall commence on the
12 28 first day of July and end on the thirtieth day of June. This
12 29 fiscal year shall be used for purposes of making
12 30 appropriations and of financial reporting and shall be
12 31 uniformly adopted by all departments and establishments of the
12 32 government.
12 33 3. ~~However Notwithstanding subsection 2,~~ the department of
12 34 workforce development may use the federal fiscal year instead
12 35 of the fiscal year commencing on July 1.
13 1 Sec. 10. Section 8.41, subsection 2, Code 2007, is amended
13 2 to read as follows:
13 3 2. Federal funds deposited in the state treasury as
13 4 provided in subsection 1 shall either be included as part of
13 5 the governor's budget required by section 8.22 or shall be
13 6 included in a separate recommendation made by the governor to
13 7 the general assembly. If federal funds received in the form
13 8 of block grants or categorical grants have not been included
13 9 in the governor's budget for the current fiscal ~~year~~ biennium
13 10 because of time constraints or because a budget is not being
13 11 submitted for the ~~next fiscal~~ second year of a fiscal
13 12 biennium, the governor shall submit a supplemental statement
13 13 to the general assembly listing the federal funds received and
13 14 including the same information for the federal funds required
13 15 by section 8.22, part I, subsection 2, paragraph "e", for the
13 16 statement of federal funds in the governor's budget.
13 17 Sec. 11. Section 8.54, subsection 1, paragraph a, Code
13 18 2007, is amended to read as follows:
13 19 a. "Adjusted revenue estimate" means the appropriate
13 20 revenue estimate for the general fund for ~~the following a~~
13 21 fiscal year as determined by the revenue estimating conference
13 22 under section 8.22A, subsection 3, adjusted by subtracting
13 23 estimated tax refunds payable from that estimated revenue and
13 24 as determined by the conference, adding any new revenues which
13 25 may be considered to be eligible for deposit in the general
13 26 fund.
13 27 Sec. 12. Section 8.54, subsections 2 and 3, Code 2007, is
13 28 amended to read as follows:
13 29 2. There is created a state general fund expenditure
13 30 limitation for each fiscal year of the fiscal biennium
13 31 calculated as provided in this section. An expenditure
13 32 limitation shall be used for the portion of the budget process
13 33 commencing on the date the revenue estimating conference
13 34 agrees to a revenue estimate for the following fiscal year in
13 35 accordance with section 8.22A, subsection 3, and ending with
14 1 the governor's final approval or disapproval of the
14 2 appropriations bills applicable to that fiscal year that were
14 3 passed prior to July 1 of that fiscal year in a regular or
14 4 extraordinary legislative session. The expenditure limitation
14 5 shall apply to each of the fiscal years of the fiscal biennium

14 6 as follows:

14 7 a. In the fiscal year preceding a fiscal biennium, a state
14 8 general fund expenditure limitation shall be calculated for
14 9 and shall apply to each of the fiscal years of the ensuing
14 10 fiscal biennium.

14 11 b. However, if the adjusted revenue estimate for the
14 12 second fiscal year of the fiscal biennium is revised due to a
14 13 different estimate developed for that fiscal year under
14 14 section 8.22A, subsection 3, paragraph "b", the state general
14 15 fund expenditure limitation for that fiscal year shall be
14 16 readjusted in accordance with the revision. The governor
14 17 shall submit recommendations for and the general assembly
14 18 shall pass revisions in revenue provisions and appropriations
14 19 as necessary so that the budget for the second fiscal year of
14 20 the fiscal biennium does not exceed the readjusted state
14 21 general fund expenditure limitation.

14 22 3. Except as otherwise provided in this section, the state
14 23 general fund expenditure limitation for a fiscal year shall be
14 24 ninety-nine percent of the appropriate adjusted revenue
14 25 estimate.

14 26 Sec. 13. Section 8.54, subsection 5, Code 2007, is amended
14 27 to read as follows:

14 28 5. For a fiscal years year in which section 8.55,
14 29 subsection 2, results in moneys being transferred to the
14 30 general fund, the original state general fund expenditure
14 31 limitation amount provided for in subsection 3 for that fiscal
14 32 year shall be readjusted to include the moneys which are so
14 33 transferred.

14 34 Sec. 14. Section 8.54, subsection 7, Code 2007, is amended
14 35 to read as follows:

15 1 7. The governor shall transmit to the general assembly, in
15 2 accordance with section 8.21, a budget which does not exceed
15 3 the state general fund expenditure limitation for a fiscal
15 4 year. The general assembly shall pass a budget which does not
15 5 exceed the state general fund expenditure limitation for a
15 6 fiscal year. The governor shall not transmit a budget with
15 7 recommended appropriations in excess of the state general fund
15 8 expenditure limitation for a fiscal year and the general
15 9 assembly shall not pass a budget with appropriations in excess
15 10 of the state general fund expenditure limitation for a fiscal
15 11 year. The governor shall not approve or disapprove
15 12 appropriation bills or items of appropriation bills passed by
15 13 the general assembly in a manner that would cause the final
15 14 budget approved by the governor to exceed the state general
15 15 fund expenditure limitation for a fiscal year. In complying
15 16 with the requirements of this subsection, the governor and the
15 17 general assembly shall not rely on any anticipated reversion
15 18 of appropriations in order to meet the state general fund
15 19 expenditure limitation for a fiscal year.

15 20 Sec. 15. Section 8.57, subsection 6, Code Supplement 2007,
15 21 is amended by adding the following new paragraph:

15 22 NEW PARAGRAPH. i. Appropriations from the rebuild Iowa
15 23 infrastructure fund shall be made on a biennial basis.

15 24 Sec. 16. Section 602.1301, subsection 1, Code 2007, is
15 25 amended to read as follows:

15 26 1. The supreme court shall prepare an annual a biennial
15 27 operating budget for the judicial branch, and shall submit a
15 28 budget request to the general assembly for the fiscal period
15 29 biennium for which the general assembly is appropriating
15 30 funds.

15 31 Sec. 17. Section 602.1301, subsection 2, paragraph a,
15 32 unnumbered paragraph 1, Code 2007, is amended to read as
15 33 follows:

15 34 As early as possible, but not later than December 1
15 35 preceding the first regular session of a general assembly, the
16 1 supreme court shall submit to the legislative services agency
16 2 the annual biennial budget request and detailed supporting
16 3 information for the judicial branch. The submission shall be
16 4 designed to assist the legislative services agency in its
16 5 preparation for legislative consideration of the budget
16 6 request. The information submitted shall contain and be
16 7 arranged in a format substantially similar to the format
16 8 specified by the director of management and used by all
16 9 departments and establishments in transmitting to the director
16 10 estimates of their expenditure requirements pursuant to
16 11 section 8.23, except the estimates of expenditure requirements
16 12 shall be based upon one hundred percent of funding for the
16 13 fiscal years comprising the current fiscal year biennium
16 14 accounted for by program, and using the same line item
16 15 definitions of expenditures as used for the current fiscal
16 16 year's biennium's budget request, and the remainder of the

16 17 estimate of expenditure requirements prioritized by program.
16 18 The supreme court shall also make use of the department of
16 19 management's automated budget system when submitting
16 20 information to the director of management to assist the
16 21 director in the transmittal of information as required under
16 22 section 8.35A. The supreme court shall budget and track
16 23 expenditures by the following separate organization codes:
16 24 Sec. 18. Section 602.1301, subsection 2, paragraph b, Code
16 25 2007, is amended to read as follows:

16 26 b. Before December 1 preceding the first regular session
16 27 of a general assembly, the supreme court shall submit to the
16 28 director of management an estimate of the total expenditure
16 29 requirements of the judicial branch. The director of
16 30 management shall submit this estimate received from the
16 31 supreme court to the governor for inclusion without change in
16 32 the governor's proposed budget for the succeeding fiscal ~~year~~
16 33 biennium. The estimate shall also be submitted to the
16 34 chairpersons of the committees on appropriations.

16 35 Sec. 19. Section 602.1301, subsection 2, Code 2007, is
17 1 amended by adding the following new paragraph:
17 2 NEW PARAGRAPH. c. The supreme court may submit a
17 3 supplemental budget request for the second year of a fiscal
17 4 biennium providing for supplemental appropriations to or
17 5 appropriations reductions from the previously enacted fiscal
17 6 biennium budget. A supplemental request shall be subject to
17 7 the same format and information requirements as a biennial
17 8 budget request under paragraph "a" and an expenditure
17 9 requirements estimate under paragraph "b". A supplemental
17 10 budget request shall be submitted on or before December 1
17 11 preceding the second year of the fiscal biennium to the
17 12 legislative services agency and the director of the department
17 13 of management.

17 14 Sec. 20. EFFECTIVE DATE AND APPLICABILITY. This Act takes
17 15 effect July 1, 2008, and is first applicable to the fiscal
17 16 biennium beginning July 1, 2009, and ending June 30, 2011.

17 17 EXPLANATION

17 18 This bill provides for state biennial appropriations.

17 19 The bill provides for the budget process and appropriations
17 20 to be made on a biennial basis commencing with the fiscal
17 21 biennium beginning July 1, 2009, and ending June 30, 2011.

17 22 The bill takes effect July 1, 2008, and is first applicable
17 23 to the fiscal biennium beginning July 1, 2009, and ending June
17 24 30, 2011.

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